

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE ☒ WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd _____

Application resubmitted 10-31-85

DATE FILED 4-10-84

LAND: FEE & PATENTED ☒ STATE LEASE NO.

PUBLIC LEASE NO.

INDIAN

DRILLING APPROVED 4-12-84 - OIL (CAUSE NO. 131-33)

SPUDDED IN:

COMPLETED: PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION: 5572' g.v.

DATE ABANDONED: LA 10-31-85

FIELD: 7/86 BLUEBELL

UNIT:

COUNTY: UINTAH

WELL NO. CHASEL-SPROUSE 1-18A1E

API #43-047-31457

LOCATION 1324' FNL FT. FROM (N) (S) LINE.

1340' FWL FT. FROM (E) (W) LINE.

C NW

1/4 - 1/4 SEC. 18

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

1S

1E

18

CHASEL ENERGY

John D. Chasel
DBA Chasel Energy
2285 Lucky John Drive
Park City, Utah 84060

State of Utah Oil & Gas Conservation Commission
ATTN: ~~Norman Stout~~ Ron Firth
4241 State Office Building
Salt Lake City, Utah 84114

RE Application for Permit to Drill
Section 18, T 1 S R 1 E
Bluebell spaced area
Uintah County, Utah

Mr Stout:

Enclosed is an application for permit to Drill the subject well including the following required information.

1. Certified Surveyor's Plat
2. Designation of Agent
3. Ten Point Drilling Plan
4. Bond \$10,000.00 (Cashiers Check), my Statewide \$50,000.00 Bond should be delivered to you in a few days. (If possible you could hold the Cashiers Check for a few days until the bond is delivered to you.

Should you have any questions you may call me at 722 2854 or 649-2482.

Thank you


John D Chasel

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on
reverse side)

5. Lease Designation and Serial No.

Fee ☒

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

8. Farm or Lease Name

Chasel-Sprouse

9. Well No.

1-18A1E

10. Field and Pool, or Wildcat

☒ Bluebell11. Sec., T., R., M., or Blk.
and Survey or Area

Sec. 18-T1S-R1E, USM

12. County or Parrish 13. State

Uintah, Utah

1a. Type of Work

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. Type of Well

Oil
Well ☒Gas
Well ☐Other ☒Single
Zone ☐Multiple
Zone ☐

2. Name of Operator

John D. Chasel, DBA, Chasel Energy

3. Address of Operator

2285 Lucky John Drive, Park City, Utah 84060

4. Location of Well (Report location clearly and in accordance with any State requirements.*)

At surface

1340' FWL, 1324' FNL (CNW1/4)

At proposed prod. zone Same

14. Distance in miles and direction from nearest town or post office*

5.8 miles West of Lapoint, Utah

15. Distance from proposed*

location to nearest

property or lease line, ft.

(Also to nearest drlg. line, if any)

1324'

16. No. of acres in lease

560

17. No. of acres assigned
to this well

560

18. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

NA

19. Proposed depth

15,000'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5572' Ungraded Ground

22. Approx. date work will start*

May 15, 1984

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
30"	20"		40'	100 CF
12 1/4"	9-5/8"	36	2,500'	750 CF
8-3/4"	7"	26, 29, 32#	11,000'	600 CF
6"	5"	18#	10,900-TD	600 CF

This well is a proposed Wasatch test. to be drilled on an unorthodox drilling unit previously designated by the Board of Oil, Gas, and Mining.

The well is to be drilled to 7,000' with water, then to TD with fresh gel mud, weighted, as necessary, with barite, to control formation pressure.

☒ Blowout prevention equipment will be installed after setting surface pipe, per the attached diagram.

See attached ten point well Prognosis for details.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and proposed and true vertical depths. Give blowout preventer program, if any.

24.

Signed

John D. Chasel

Title

Owner

Date

April 10, 1984

(This space for Federal or State office use)

Permit No.

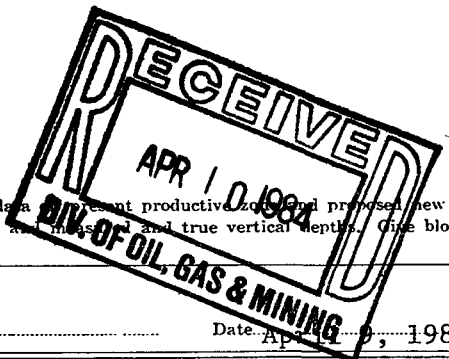
Approval Date

Approved by

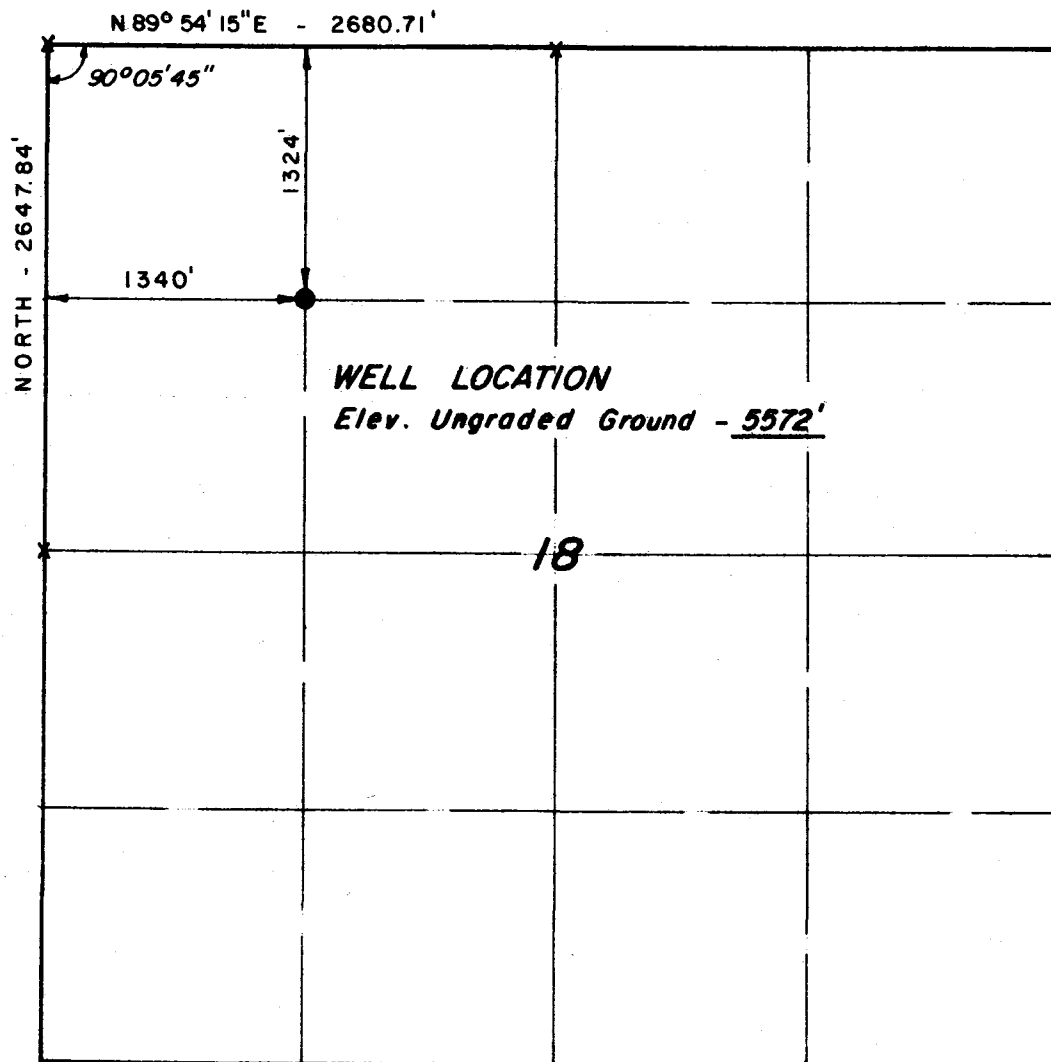
Conditions of approval, if any:

Date

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**

DATE: 4/11/84BY: [Signature]

TIS, RIE, U.S.B. & M.



X = Section Corners Located

PROJECT

JOHN CHASEL

Well location, located
as shown in the CNW 1/4
Section 18, TIS, RIE,
U.S.B. & M. Uintah
County, Utah.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Nelson J. Chase

REGISTERED LAND SURVEYOR
REGISTRATION NO 2454
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P.O. BOX Q - 85 SOUTH - 200 EAST
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	4/3/84
PARTY	DA GS RP	REFERENCES	GLO Plat
WEATHER	Fair	FILE	CHASEL

TEN-POINT COMPLIANCE PROGRAM

ATTACHED to form 9-331-C

WELL NAME: Chasel-Sprouse 1-18A1E

LOCATION: CNW1/4, Sec. 18, T 1 S, R 1E.

1. Geologic Surface Formation

Duchesne River

2. Estimated Tops of Important Geologic Markers

Uinta	3,400
Green River	7,000
Wasatch	10,000

3. Estimated Depths of Anticipated Water, Oil, Gas or Minerals

Water 800' to TD
Oil & Gas 8,000 to TD

4. Proposed Casing Program

- a. Surface casing: 10 3/4" J-55 40#, cmt'd with 1300 SXS, return to surface
- b. Production Casing:
7 5/8" RS-95, 26.4 & 29.7#, surface to 11,500', 1130 SXS
5 1/2" liner P 110, 18#, cmt'd with 430 SXS, returns into 7 5/8"

5. Pressure Control- See Attached Diagram:

Minimum 3000 PSI Double rams to be installed after setting surface pipe.

- ✓ 5000 PSI Double rams with Spherical BOP to be installed after setting 7 5/8", Long String.

BOP's to be tested to 3000 psi after installation. and operated daily.

6. Type and Characteristics of the Proposed Circulating Muds

Well to be drilled to 7000 ft with fresh water.

Fresh gel mud, wieghted with barite, as required, will be used from 7,000' to TD., Gel- Chemical with adequate barite will be kept on location to control oil and gas pressures.

Chasel Energy
Chasel- Sprouse 1-18A1E
CNW1/4, Sec. 18, T 1 S, R 1 E.

7. Auxiliary Equipment:

1. Top and bottom kelly cocks, (2) PVT equipment, and (3) stabbing valve will be maintained on the drilling floor, after reaching the top of the Wasatch Fm. A choke manifold, with automatic choke, and a gas buster will also be available, when drilling overpressured intervals.

8. Formation Evaluation:

No cores or DST's are anticipated.

DIL-GR logs will be run from the Surface Pipe to TD. CNL-FDC and mud logs will be run from 8,000' to TD.

9. Drilling Hazards:

Overpressured intervals are expected in the lower Wasatch Formation. Pressure control equipment, weighted muds, and mud monitoring, previously outlined, will be adequate to maintain control of the well.

No other drilling Hazards are anticipated.

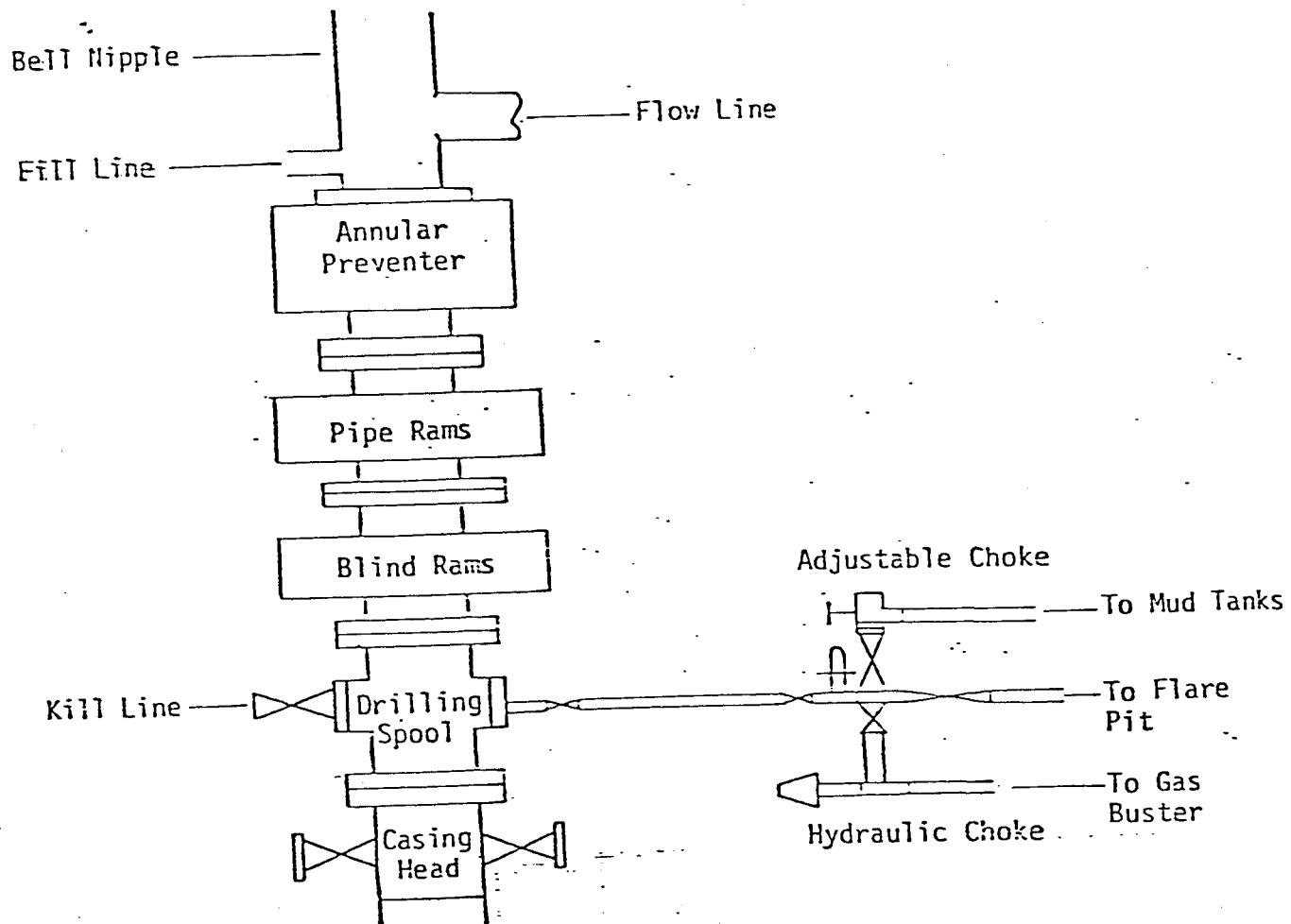
10: Anticipated Starting Time and Duration of the Operations:

The anticipated spud date is May 15, 1984. Estimated drilling time is 70 to 90 days. The completion will take another 15 days.

John D. Chasel

John D. Chasel _____ Date 4-9-84

BLOW OUT PREVENTION EQUIPMENT



Minimum 3,000 PSI BOPE is to be installed after setting surface pipe.
All preventers are to be tested to 1500 PSI prior to drilling out casing shoe.

JOHN CHASEL

C NW 1/4 SEC. 18, T15, R1E

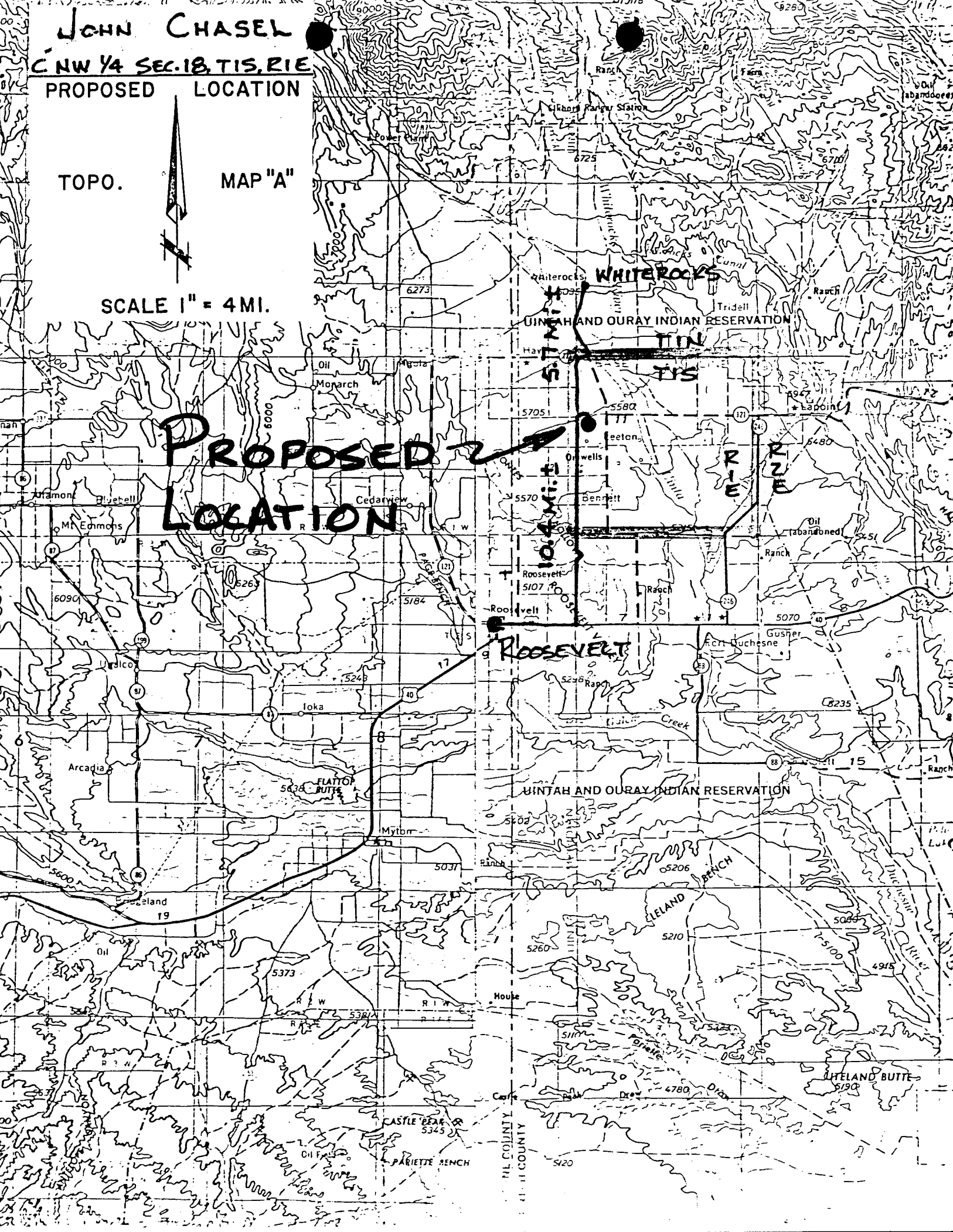
PROPOSED LOCATION

TOPO.

MAP "A"

SCALE 1" = 4 MI.

PROPOSED LOCATION



JOHN CHASEL
C NW 1/4 Sec. 18, T15, R1E
PROPOSED LOCATION

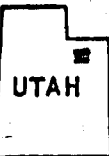
TOPO.

MAP "B"

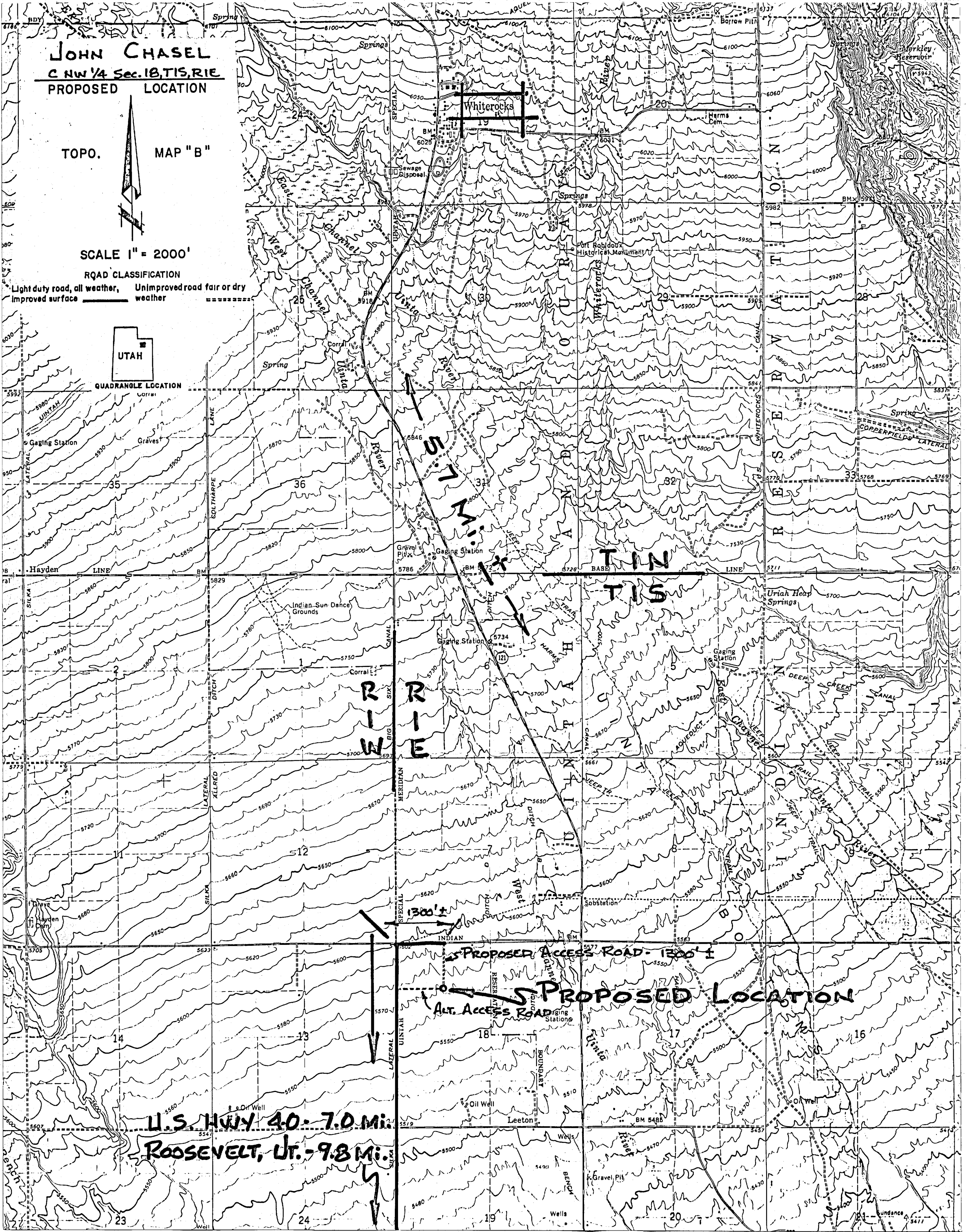
SCALE 1" = 2000'

ROAD CLASSIFICATION

Light duty road, all weather, Improved surface
Unimproved road fair or dry weather



QUADRANGLE LOCATION



File in Duplicate

DIVISION OF OIL, GAS AND MINING
OF THE STATE OF UTAH

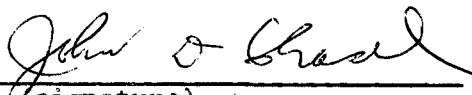
DESIGNATION OF AGENT

The undersigned producer, operator, transporter, refiner, gasoline or initial purchaser who is conducting oil and/or gas operations in the State of Utah, does, pursuant to the Rules and Regulations and Rules of Practice and Procedure of the Division of Oil, Gas and Mining of the State of Utah, hereby appoint John D. Chasel, whose address is 2285 Lucky John Drive, Park City, Utah 84060, (his, her or its) designated agent to accept and to be served with notices from said Board, or from other persons authorized under the Oil and Gas Conservation Act of the State of Utah.

The undersigned further agrees to immediately report in writing, all changes of address of the agent, and any termination of the agent's authority, and in the latter case, the designation of a new agent or agents shall be immediately made. This designation of agent, however, shall remain in full force and effect until and unless a new designation agent is filed in accordance with said statute and said regulations.

Effective date of designation April 9, 1984

Company John D. Chasel
DBA: Chasel Energy Address 2285 Lucky John Drive, Park City, Utah
84060

By  Title Owner
(signature)

NOTE: Agent must be a resident of the State of Utah



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Dianne R. Nielson, Ph.D., Division Director

April 10, 1984

Utah State Treasurer's Office
215 State Capitol Building
Salt Lake City, Utah 84114

Attn: Gladys Linschotten, Accounting Technician

Dear Gladys:

Please find attached hereto Cashier's Check No. 2183454 in the amount of \$10,000 dated April 9, 1984.

Said Cashier's Check shall act as a drilling and plugging bond on behalf of the Division and John D. Chasel DBA Chasel Energy to be released at such time as plugging operations have been completed. Such liability may not be released without written consent of this Division.

Please retain said Cashier's Check for safekeeping on behalf of this Division.

Very truly yours,

Arlene W. Sollis
Administrative Aide

AS

Received:
State Treasurer

Name

4-10-84
Date

mh ga

$$\frac{31.5}{1240}$$

CASHIER'S CHECK

№ 2183454

Roosevelt 27.

April 9 1934

OFFICE

BY TO THE
ORDER OF ****State of Utah Oil and Gas Commission****

\$ **10,000.00**

Bond Sec. 18 T 1 S, 1 E

2783 1000 2000

**ZIONS
FIRST NATIONAL BANK
SALT LAKE CITY, UTAH**

David L. Spivey
AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

11 2 1 8 3 4 5 4 11 12 1 2 4 0 0 0 0 5 4 12 6 1 2 0 0 0 0 2 0 2 11

OPERATOR

John D. Chasal DBA Chasal Energy

DATE

4-11-84

WELL NAME

Chasal-Sprouse 1-BA1E

SEC

C NW 18

T

15

R

1E

COUNTY

United

43-047-31457

API NUMBER

Free

TYPE OF LEASE

POSTING CHECK OFF:

☐

INDEX

☐

HL

☐☐

NID

☐

PI

☐☐

MAP

☐☐

PROCESSING COMMENTS:

Need Water

No other wells in drilling unit.

APPROVAL LETTER:

SPACING:

☐

A-3

UNIT

☒

c-3-a

131-33 7/22/80
CAUSE NO. & DATE

☐

c-3-b

☐

c-3-c

SPECIAL LANGUAGE:

1- Water

☒ RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP.

☒ AUTHENTICATE LEASE AND OPERATOR INFORMATION

☒ VERIFY ADEQUATE AND PROPER BONDING

☒ AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.

☐ APPLY SPACING CONSIDERATION

☒ ORDER 131-33

☐ UNIT _____

☐ c-3-b

☐ c-3-c

☒ CHECK DISTANCE TO NEAREST WELL.

☐ CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.

☐ IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER

☒ IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

April 12, 1984

John D. Chasel
DMA Chasel Energy
2285 Lucky John Drive
Park City, Utah 84060

RE: Well No. Chasel-Sprouse 1-18A1E
C NW Sec. 18, 1S, R. 1E
1324' FNL, 1340 FNL
Uintah County, Utah

Gentlemen:

Approval to drill the above referenced oil well is hereby granted in accordance with Order of Cause No. 131-33 dated July 22, 1981 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.

In addition, the following actions are necessary to fully comply with this approval:

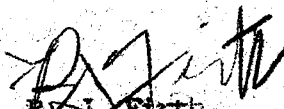
1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify R. J. Firth, Associate Director, Telephone (801) 533-5771 (Office), 571-5068 (Home).
4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

John D. Chasel
Well No. Chasel-Sprouse 1-18A1E
April 12, 1984
Page 2

5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The APT number assigned to this well is 43-047-31457.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

RJT/as

Enclosure



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

May 1, 1985

John D. Chasel
DBA Chasel Energy
2285 Lucky John Drive
Park City, Utah 84060

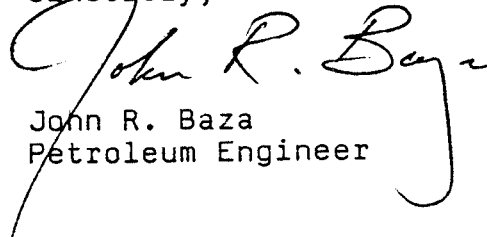
Gentlemen:

Re: Well No. Chasel-Sprouse 1-18A1E - Sec. 18, T. 1S., R. 1E.,
Uintah County, Utah - API #43-047-31457

Due to excessive time delay in commencing drilling operations approval to drill the subject well is hereby rescinded, effective one calendar month from the date of this notice. If any operations have been performed on this well location it is imperative that you notify this division immediately.

A new "Application for Permit to Drill" must be filed with this office for approval, prior to future drilling of the subject location.

Sincerely,


John R. Baza
Petroleum Engineer

cc: Dianne R. Nielson
Ronald J. Firth
File

0170S/26

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

(Other instructions on
reverse side)

5. Lease Designation and Serial No.
Fee

6. If Indian, Allottee or Tribe Name

7. Unit Agreement Name

8. Farm or Lease Name
Chasel-Sprouse

9. Well No.
1-18A1E

10. Field and Pool, or Wildcat
Bluebell

11. Sec., T., R., M., or Blk.
and Survey or Area
Sec. 18-T1S-R1E, USM

12. County or Parrish 13. State
Uintah, Utah

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. Type of Well

Oil
Well ☒

Gas
Well ☐

Other

Single
Zone ☐

Multiple
Zone ☐

2. Name of Operator

John D. Chasel, DBA, Chasel Energy

3. Address of Operator

2285 Lucky John Drive, Park City, Utah 84060

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

1340' FWL, 1324' FNL (CNW1/4)

At proposed prod. zone Same

14. Distance in miles and direction from nearest town or post office*

5.8 Miles West of Lapoint, Utah

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drlg. line, if any)

1324'

16. No. of acres in lease
560

17. No. of acres assigned
to this well
560

18. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

NA

19. Proposed depth
15,000' Wasatch

20. Rotary or cable tools
Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

5572' Ungraded Ground

22. Approx. date work will start*
July 1, 1985

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
30"	20"		40'	100 CF
12½"	9-5/8"	36	2,500'	750 CF To Surface
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6"	5"	18#	10,900-TD	600 CF

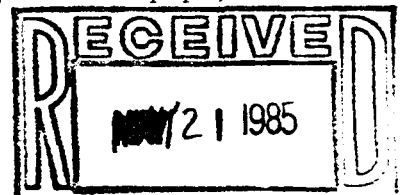
This well is a proposed Wasatch test to be drilled on an unorthodox drilling unit previously designated by the Board of Oil, Gas, and Mining. Order, Cause 131-45

The well is to be drilled to 7,000' with water, then to TD with fresh gel mud, weighted, as necessary, with barite, to control formation pressure.

Blowout prevention equipment will be installed after setting surface pipe, per attached diagram.

See attached ten point well prognosis for details.

THIS WELL IS TO BE HELD CONFIDENTIAL:



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24.

Signed *John D. Chasel*

Title Owner

Date May 17, 1985

(This space for Federal or State office use)

Permit No.

Approval D

Approved by

Title

Conditions of approval, if any:

Returned unapproved.
See letter dated 6/3/85.



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

June 3, 1985

Mr. John D. Chasel
Chasel Energy
2285 Lucky John Drive
Park City, Utah 84060

Dear Mr. Chasel:

RE: Well No. Chasel-Sprouse 1-18A1E, Sec.18, T.1S, R.1E,
Uintah County, Utah and Well No. Chasel-Malnar 4-13A1W,
Sec.13, T.1S, R.1W, Uintah County, Utah

Thank you for your prompt response to our letter of May 1, 1985, indicating that we would be rescinding application to drill on the Well No. Chasel-Sprouse 1-18A1E. The Division has received new applications to drill on both of the subject wells. Because it remains your intention to drill the wells by July 1, 1985, the Division will simply extend the original approvals to drill and will forego the rescission notice which you have received.

In the case of the Chasel-Sprouse 1-18A1E, a rescission notice was issued on May 1, 1985. The Division hereby cancels such rescission and extends the approval to drill for this well until October 12, 1985.

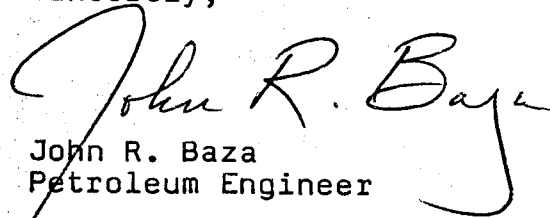
For the Chasel-Malnar 4-13A1W, the Division has already approved a six month extension of time for the drilling of this well by sundry notice dated April 5, 1985, therefore, approval to drill this well is effectively extended until October 25, 1985.

The submitted applications for permit to drill both of the subject wells are being returned to you with this letter. A copy of Form OGC-1A will be kept in each of the individual well files as a record of your intent to continue to drill this well. No additional information is necessary to extend these approvals.

Page 2
Mr. John D. Chasel
June 3, 1985

Again, thank you for your prompt response to our letters. Your cooperation in this matter is appreciated.

Sincerely,


John R. Baza
Petroleum Engineer

sb
cc: D.R. Nielson
R.J. Firth
Well Files
0090T-102-103



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 31, 1985

TO: Well File--Well No. Chasel-Sprouse 1-18A1E
Sec.18, T.1S, R.1E, Uintah County, Utah

FROM: John R. Baza, Petroleum Engineer *RB*

RE: Expiration of Approval to Drill Well

This memorandum will serve to document actions taken by the Division of Oil, Gas and Mining concerning the referenced well.

Mr. John D. Chasel originally applied for and received approval to drill the well on April 12, 1984. After the initial one-year approval period, Mr. Chasel was granted a six-month extension to allow additional time to commence drilling operations. The extended approval lapsed on October 12, 1985, and no activity had occurred on the well location.

On October 2, 1985, the Division received an additional application to drill the subject well from Linmar Energy Corporation. Linmar stated that they had leases ready to expire and requested that they be given approval to drill the well upon expiration of Mr. Chasel's drilling approval. On October 9, the Division received a resubmittal application to drill the well from Mr. Chasel.

The Division staff cannot verify the status of leases within the drilling unit established by the Board of Oil, Gas and Mining. Also, the staff is not aware of Mr. Chasel's reasons for not drilling the well. However, the staff is concerned that an application to drill should be indicative of real intent to drill and is not used to prevent others from exploring for and receiving their share of revenue from the hydrocarbon resource.

In order to be fair, the only basis for approving one permit over another is that first-in-time applications are considered before any others. For this reason only, Linmar's application is being processed for approval and Mr. Chasel's resubmittal application is being returned. The original approval to drill given to Mr. Chasel will be rescinded formally by letter.

sb
0155T-56



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

October 31, 1985

Mr. John D. Chasel
2285 Lucky John Drive
Park City, Utah 84060

Dear Mr. Chasel:

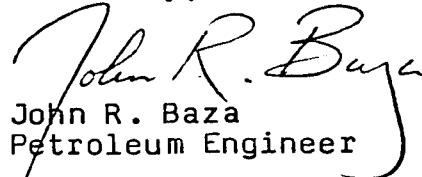
RE: Well No. Chasel-Sprouse 1-18A1E, Sec. 18, T.1S, R.1E
Uintah County, Utah, API # 43-047-31457

Due to excessive time delay in commencing drilling operations, approval to drill the subject well is hereby rescinded. The original drilling application was approved on April 12, 1984 and a permit to drill was issued for a standard period of one year. Because drilling was not commenced during the initial approval period, the Division of Oil, Gas and Mining extended the drilling permit an additional six months. Drilling has not yet begun on the subject well and the extended approval period has lapsed as of October 12, 1985.

The Division recently received your resubmittal of an application to drill the referenced well. Although your resubmittal application was received on October 9, another operator had previously submitted an application to drill for the same well, requesting approval to drill upon expiration of the existing approval. Because the Division processes applications to drill on a first-in-time basis, the other operator's application must be honored. Therefore, your resubmittal application is being returned.

If any operations have been performed on this well location it is imperative that you notify the Division immediately. Should you have concerns about this matter, please contact this office. Thank you for your consideration.

Sincerely,


John R. Baza
Petroleum Engineer

sb
Enclosure
cc: D. R. Nielson
R. J. Firth
Well File
0155T-57



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

December 13, 1985

TO: Well File
Well No. Chasel-Sprouse #1-18A1E
Sec.18, T.1S, R.1E, Uintah County, Utah

FROM: John R. Baza, Petroleum Engineer *RB*

RE: Approval to Drill Well

This memo will serve as a follow up to a previous file memo which documented actions taken by the Division of Oil, Gas and Mining concerning the referenced well.

After returning Mr. Chasel's resubmitted APD of October 9, 1985, the Division received yet another APD submittal from Mr. Chasel on November 12, 1985. During the period of November 4-15, 1985, numerous discussions occurred between the Division staff and representatives of Chasel and Linmar regarding the approval of an APD for the referenced well. Because of the confusion still existing regarding the right of either party to drill a well, the Division petitioned the Board of Oil, Gas and Mining for a hearing to decide the matter.

A petition was submitted on November 19, 1985, and a hearing was set for December 5, 1985. Meanwhile, Chasel and Linmar attempted to reach an agreement on the matter. Finally, on December 3, 1985, the Division received notice that an agreement has been reached between the parties that Chasel could be granted approval to drill. The Division withdrew its petition and accordingly processed Chasel's APD submittal of November 9, 1985. Linmar's APD submittal was returned to them.

The new approval was issued a new API number and the previous approval remained rescinded with the well file in "location abandoned" status.

sb
0155T-69